

Memorandum

To: Teale Data Center Customers

Date: August 2, 2002

From: Stephen P. Teale Data Center

Subject: Teale Data Center Billing Rates Adjustment

The Teale Data Center is pleased to announce the following adjustments to the published Billing Rates schedule for Teale services, as well as minor changes in billing methodologies. The key changes, which will be implemented retroactively effective February 1, 2002, are as follows:

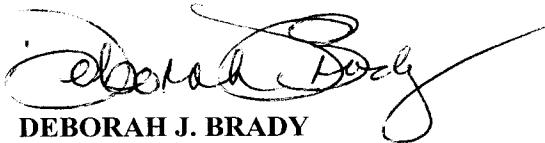
1. **CPU** – A decrease of 23 percent, or from \$660.00 to \$510.00 per model IBM 9021-982 equivalent CPU hour.
2. **DASD** – A decrease of 26 percent, reducing the default rate from \$0.0040 to \$0.0030 per megabyte/day. All other DASD data storage charges were similarly reduced.
3. **OV/VM Subscription** – A decrease of 56 percent, reducing the monthly connectivity fee from \$4.50 to \$2.00 per month.
4. **Teradata** – A decrease of 25 percent.
5. **TN3270** – A decrease of 49 percent, reducing the monthly LU name assignments from \$2.00 to \$1.00. Printer definitions will be increased from \$5.00 to \$8.00 per month, which will more accurately reflect the support staff allocations.
6. **AAMVAnet** – An increase that includes an overhead fee of 109 percent to eliminate Data Center subsidization of this service.
7. **Operational Recovery Services** – An increase of 11 percent to reflect the rising costs charged to the Data Center.
8. **Tape Mount** – An increase of 124 percent, from \$0.70 to \$1.50 per mount to reflect the high staffing cost in this area as a result of the manual nature of the service.
9. **Tape Cartridge Storage** – An increase of 40 percent, from \$0.50 to \$0.70 per TMS-defined tape per month. This increase is also due to the high staffing requirements resulting from the manual nature of the service.

The reductions are effective February 1, 2002, and retroactive credits will be calculated for February 2002 through June 2002. A refund will be issued to your department, less outstanding payments for the current fiscal year, and July credits will be included on the August 2002 invoice.

All rate increases will become effective September 1, 2002, to allow for a 30-day notification to customers. Please note that these rate changes were tested using actual customer billing data, and any increase in invoices will only occur if there has been additional workload. Invoices for those customers who have no change in workload will not be affected.

These rates have been reviewed and approved by the Business, Transportation and Housing Agency and the Department of Finance. To view a copy of the complete Teale Billing Rates package, please access Teale's web site at: <http://www.teale.ca.gov/services/billing/>. A hard copy may be requested from your Customer Relations Representative at (916) 464-3712 (CALNET 433-3712).

If you have any questions or require additional information, please call Colleen Field, Financial Analysis and Chargeback Systems Manager, at (916) 464-0997 (CALNET 433-0997).

A handwritten signature in black ink, appearing to read "Deborah J. Brady", with a long, sweeping horizontal line extending to the right.

DEBORAH J. BRADY
Chief Deputy Director